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Report to the Assistant Administrator, Bureau for Food for Peace and Voluntary Assistance
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FAMINE IN AFRICA

Improving U.S. Response Time for Emergency Relief

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Mrs. Julia Chang Bloch
Assistant Administrator, Bureau for
Food for Peace and Voluntary Assistance
Agency for International Development

Dear Mrs. Bloch:

We have made a survey of the time it took the Agency for International Development (AID), in conjunction with other agencies, to approve and provide emergency food to drought stricken Africa during the 1985 emergency. Our previous review of the 1984 emergency food program in five African countries disclosed that late arrival of food was a major problem, attributable in part to the length of time required by the Washington agencies to approve emergency program requests and to ship commodities to affected countries.

During the 1984 emergency in Africa, food arrived after the times requested by the AID missions in-country and after the start of traditional rainy seasons when distributing it to needy people normally would be difficult. Major distribution disruptions were avoided largely because normally heavy rains did not occur during the traditional rainy season due to the continuing drought, so the roads remained accessible in most areas. Nonetheless, potentially significant distribution problems could have resulted because 68 percent of the U.S. emergency aid arrived during traditional rainy seasons.

Our survey of the time required to provide assistance focused primarily on the 1985 emergency program for the five African countries in our review of the 1984 program. These countries were Burkina Faso, Mali, Mauritania, Senegal, and Somalia. This letter highlights our observations of the (1) time used by the responsible Washington agencies to approve emergency food requests, obtain the commodities, and start loading them for shipment to African countries and (2) actions to shorten the time to perform these functions. Appendix I presents more detail on our observations and the scope of our survey.

The overall average time of 110 days in fiscal year 1985 to approve emergency food program requests, obtain commodities, and arrange shipping was somewhat less than the time required for 1984. Requests were approved considerably quicker in 1985, commodities were

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obtained in about the same amount of time in both years, but commodities remained at U.S. ports considerably longer before shipment. February and March 1985 approvals averaged 21 days (range 2 to 82 days) compared with about 2 months for 1984; commodities were obtained in about 58 days for both years; and, commodities waited for loading and shipment an average of 31 days (range 1 to 65 days) compared with an average of 14 days for 1984.

The combined overall average time of 110 days in fiscal year 1985 to approve requests, obtain commodities and arrange shipping, plus loading and ocean and inland transport time, continued to constrain delivery of emergency food aid to African countries when it could have best been used. For the five countries in our 1984 review, commodities were needed between the prior harvest ending in November and the start of the next rainy season in June, about a 6-month period. For the most part, food needs cannot be reliably determined until after crops are harvested. Additional time may then be required for the missions to submit a request for emergency assistance. Experience with the 1984 and 1985 programs indicates that about 6 months are required to provide commodities after receipt by AID Washington of the missions' requests. Thus, it is extremely difficult to provide commodities before June when they are most needed.

The shipping dates for 1985 indicate that commodities may have arrived in-country earlier than in 1984. This would appear to be attributable to earlier submission of requests for assistance by the missions and to quicker program approvals. Still, many of the shipments in our sample were not shipped from U.S. ports until May or June 1985, which would preclude the food from being distributed in-country during the most opportune time.

AID, in conjunction with the Department of Agriculture, has taken some actions to seek and test ways to reduce procurement and shipment times. According to AID officials, high priority was being given to such actions, including

- pre-positioning bulk grain and bags at U.S. ports when emergency requests are received and procuring processed commodities on a test basis in advance of anticipated requests from the missions, and
- a meeting with some private voluntary organization and industry representatives to seek ideas for shortening the time required to obtain and ship commodities. This was a one time meeting, and shipping industry

representatives were not present. Ideas obtained at this meeting were being evaluated and tested at the time of our inquiry.

These actions, if pursued, should improve the time required to provide emergency aid. Such efforts pursued on an ad hoc basis, however, may tend to decrease or cease as the African drought and the demand for emergency food aid subsides. Although the African drought and the demand for emergency food aid appears to have lessened, we believe AID and Agriculture should continue to give priority attention to seeking and testing ways to shorten the time for obtaining and shipping emergency program commodities. We believe such efforts can be facilitated by more systematic coordination and collaboration with the private voluntary and industry organizations involved in the process.

We recommend that you ensure that appropriate attention continue to be given to finding ways to shorten the time frame for procuring and shipping emergency food commodities to famine stricken countries. One way to accomplish this may be the assignment of specific responsibility to an agency official at a sufficiently high level to generate the necessary cooperation and support. This official could obtain the views of government, private organization, and industry officials and monitor the testing and implementation of measures to shorten the time required to provide emergency commodities. We look forward to hearing from you on this matter and would be pleased to discuss it with you further if you so desire.

We have discussed this report with representatives of AID and Agriculture and incorporated their views where appropriate. Agriculture officials expressed the general view that any time that may be gained through changes in the procurement and shipping process would be insignificant and would result in disproportionate expense and stress on already tight schedules. They said that greater opportunities for improving response time lie in the improvement of information gathering, better anticipation of needs, and better preplanning. These matters are discussed in our report on the 1984 emergency food aid program.

Copies of this report are being made available to the Department of Agriculture. It will also be made available to other interested parties upon request.

Sincerely yours,

Joseph E. Kelley

Joseph E. Kelley
Associate Director

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Abbreviations

AID	Agency for International Development
GAO	General Accounting Office
KCCO	Department of Agriculture's Kansas City Commodity Office

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Observations on the Time Required to Approve and Ship Emergency Food Commodities

Background

A major problem with the 1984 emergency food program in Burkina Faso, Mali, Mauritania, Senegal, and Somalia was the late arrival of food in-country. Food aid generally arrived later than the times requested by the Agency for International Development's (AID) in-country missions and often after the start of the traditional rainy seasons when its distribution to the most needy normally would be difficult. Because emergency aid arrived after the most opportune time, some food deliveries to needy parts of Burkina Faso and Mali were delayed or canceled, and significant amounts of food sent to Senegal and Somalia were still in storage at the time of our review in November and December 1984. Major distribution disruptions were avoided in the 1984 program largely because normally heavy rains did not occur during the traditional rainy season due to the continuing drought, and the roads remained accessible in most areas. Nonetheless, potentially significant distribution problems could have resulted because 68 percent of the U.S. emergency aid arrived during traditional rainy seasons.

One reason for the late arrival was the long time lapse between the missions' requests for the food and its arrival in-country. As noted in our report on the 1984 program,[1] it took from 4 to 9 months to deliver emergency food to the five countries after the missions submitted their requests to AID Washington. For the 24 shipments of food to the five countries, approval, procurement, shipment, and inland transport required an average of 6.6 months—program approval, 2 months; obtaining and loading the commodities, 3 months; and ocean and inland transport, 1.6 months.

For the most part, food needs cannot be determined reliably until after crops are harvested, which is usually around October or November for the five countries in our review. The period of time for determining food needs and getting the needed food in-country for those countries where the rainy season is a factor is roughly between December and the first of June, or about 6 months. Therefore, the long program approval and shipping time is a significant constraint to providing food during this period.

The shipping dates indicate that emergency food should have arrived in-country earlier in 1985 than it did in 1984, largely because requests were submitted earlier for the second year of the drought. Still, many of the shipments in our sample were not loaded at U.S. ports until May or

[1] Famine In Africa: Improving Emergency Food Relief Programs (GAO/NSIAD-86-25) Mar. 4, 1986.

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June, which would have precluded them from arriving in-country at the most desirable time.

Requests for food aid are received by AID Washington usually from the AID missions and are reviewed by the Bureau for Food for Peace and Voluntary Assistance. Once the Bureau is satisfied with the requests, it submits them for approval to an interagency committee consisting of representatives from AID; the Departments of Agriculture, Commerce, State, and Treasury; and the Office of Management and Budget. After approval by the interagency committee, the requests are submitted to the Department of Agriculture's Kansas City Commodity Office (KCCO) to obtain the commodities and deliver them to a port for shipment to the requesting country. Commodities may be either purchased or obtained from U.S. stocks, depending on their type and availability. Until June 1985, Agriculture also arranged ocean transportation for commodities provided under government to government programs. Since then, a private contractor under a contract with AID has done so.

Objectives, Scope, and Methodology

We made a survey of emergency food aid approval, procurement, and shipment time frames, focusing primarily on the fiscal year 1985 program. Our objective was to determine how long each function took in comparison with 1984 and to explore actions to reduce the overall time. We performed our work at AID, Agriculture, and KCCO.

We determined the time between receipt of emergency food aid requests by AID Washington and approval by the interagency committee for essentially all requests approved during February and March 1985. We selected these 2 months because improvements were made in record-keeping beginning in February 1985, and thus needed information was more readily available. The approvals included emergency and nonemergency commodities.

We determined the time to obtain and ship commodities for essentially all emergency food aid requested during the first 7 months of fiscal year 1985 for the five countries in our review of the 1984 program. The procurement and waiting time was obtained for a more limited number of shipments under the 1984 program. We also determined the time for a sample of nonemergency or regular program commodities in 1985 for comparison with the emergency program. The number of 1984 emergency shipments and 1985 nonemergency shipments included may not be statistically significant, but we believe they provide indications of the

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time frames involved. The number of shipments that we examined are identified in table I.1.

Information included in this survey on the effects of late arrival of food aid in-country is from our review of the 1984 program. Our work was performed in accordance with generally accepted government auditing standards.

Approvals in 1985 Required Less Time

The average time to approve food aid requests in February and March 1985 was considerably less than the 2-month average for 1984. For the 30 approvals that we examined, the average approval time was 21 days. However, the time required for individual approvals varied widely, ranging from 2 to 82 days. Agency officials informed us that their goal was to approve requests in 14 days; however, 14 approvals (less than half) met this goal and 11 were approved after 4 weeks or more. Thus, while the overall average for 1985 is considerably less than for 1984, individual requests, which gave rise to questions by the agencies participating in the approval process, required long periods for approval. The approval which took 82 days, for example, required various communications with the AID mission to resolve questions raised during the Washington-level review of the request. Thus, it appears that to the extent to which the missions submit problem-free requests for emergency food aid, the faster the approval process will be.

We did not review in detail the reasons for faster approvals in 1985 than in 1984. However, as noted in our review of the 1984 program, some approvals for the 1984 program were delayed for long periods until supplemental appropriations were approved. Also, AID made efforts in 1985 to speed up approvals, the interagency committee which approves all requests met more frequently, and better records were kept of the committee's actions.

Obtaining and Shipping Commodities in 1985 Required More Time

Table I.1 summarizes the results of our survey of commodity procurement and waiting time at U.S. ports. The procurement and shipment process to the point that commodities begin to be loaded onboard ship took somewhat longer for 1985 than for 1984. The KCCO's objective is to obtain and ship commodities within 60 days. Obtaining the commodities took the same amount of time in 1984 and 1985 (58 days), but in 1985 commodities waited at the ports to be loaded an average of 31 days compared with 14 days in 1984. Consequently, the total average time in

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each year was well beyond 60 days even without the time required for loading.

Table I.1: Average Commodity Procurement and Waiting Time at Port for Emergency Food Aid

Commodity type	Overall total		Procurement time			Waiting time[a]		
	Shipments	Days	Average	Low	High	Average	Low	High
1985								
Unprocessed	12	67	37	18	63	30	11	55
Processed	23	100	69	42	97	31	1	65
Overall	35	89	58	•	•	31	•	•
1984								
Unprocessed	6	65	51	37	77	14	1	24
Processed	8	76	62	47	82	14	3	43
Overall	14	72	58	•	•	14	•	•

[a]Days commodities were at port before loading began.

In some instances, commodities were at the ports for 2 months or more. The average time at port in 1985 was double what it was in 1984. KCCO officials stated that the delay could be due to (1) the limited number of ships available to carry food to Africa, (2) frequent breakdowns of the older type of bulk carriers that carry food commodities, which prevent them from meeting loading and delivery schedules, and (3) the time required to accumulate sufficient commodities at port (about 2,000 to 4,000 tons) that shippers would be interested in transporting to Africa. A further reason given was that shippers do not like to send vessels to Africa because there is usually nothing to bring back on the return trip due to the lack of exports from these countries. Agriculture officials expressed the view that commodities being shipped to other places do not wait at port as long as they do when they are being shipped to Africa. They estimated that during 1985 less than 10 percent of the commodities for all countries waited at port to be shipped for more than 30 days. Agriculture did not have an analysis to support this estimate. We continue to believe that AID and Agriculture should especially focus on the causes for the long waiting time at ports and on ways to shorten the delays in loading ships for food shipments to Africa.

Processed commodities required more time in 1985 to obtain and ship than unprocessed commodities—100 days for processed commodities compared with 67 for unprocessed commodities. This is generally due to the time required to award contracts and to do the necessary processing and packaging. (Unprocessed commodities are generally bulk commodities, including wheat, sorghum, and corn. Bulk commodities provided

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under emergency programs are usually bagged either at the U.S. port of departure or at the port of arrival. Processed commodities include bulgur, flour, cornmeal, and fortified products and are packaged by the vendor.)

Rapid Procurement and Shipment of Large Quantities of Emergency Commodities Is Difficult

AID Handbook 9, containing guidelines and procedures for Public Law 480 programs, indicates that it normally takes 90 days from program approval to arrival of commodity at nearest recipient port. According to the Handbook, if the commodity is needed sooner, arrangements should be made to borrow the same or a similar commodity from a local source to be replaced with a Title II commodity upon delivery. In some circumstances, diversion of another Title II program commodity at a U.S. port or onboard ship may be considered. This involves identifying the correct amount of commodity needed, getting its release from the regular program cooperating sponsor, determining if the vessel involved can enter the desired port and if the commodity can be accommodated at the port, and paying a diversion charge. Since diversion is difficult, expensive, and not often possible, according to the Handbook, it should be considered only after all other sources have proven impracticable.

According to the coordinator of AID's Office of Food for Peace, the 90-day time frame for shipping commodities to destination points referred to in Handbook 9 is unrealistic with the current procedures. He stated that the actual time frame is 2 to 3 months for bulk commodities and 3 to 4 months for processed commodities.

According to KCCO officials, KCCO can acquire and move commodities to U.S. ports for delivery overseas every 60 days. If it takes 60 days to deliver commodities to the ports, then they would have to be shipped and unloaded at an African port in an average of 30 days to be within the 90 days from program approval to arrival at recipient port indicated in Handbook 9.

As shown in table I.1, for 1985 the average procurement time was 58 days, but the combined procurement and waiting at port time was 89 days. Loading and transporting time and unloading time at the recipient port in Africa would be additional. In 1984, this additional time was about 6 to 7 weeks, which if added to the 1985 procurement and waiting time indicates that it requires an average of about 5 months from program approval to delivery of commodities to recipient ports in Africa. (Adding about a month for program approval means that it takes an average of 6 months for program approval and commodity procurement

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and delivery to recipient ports in Africa. Some individual shipments took much longer than the average time.)

KCCO's acquisition and shipping capabilities are constrained by

- the time required to transport grain owned by the Commodity Credit Corporation from storage sites scattered around the country to U.S. ports,
- the limited number of suppliers of processed commodities and the time required for them to produce processed commodities after contract award, and
- the time required to obtain a ship to transport emergency commodities to Africa.

Orders for emergency and nonemergency food are, for the most part, handled in the same manner. Therefore, the time for procurement and waiting at ports for each was essentially the same for unprocessed commodities—67 days on average for 12 emergency shipments in 1985 versus 70 days for 10 non-emergency shipments. KCCO officials are opposed to establishing special procedures for processing emergency food requests because this (1) would require increased staffing costs, (2) would not necessarily decrease delivery time because vendors have limited production capacity, and (3) other means exist to respond rapidly to emergency requests. The officials stated that long-term emergencies can be handled under the present system if emergency food aid is promptly requested by AID because, after delivery of the initial order to an African port, subsequent deliveries can be made every 30 days from the pipeline established by KCCO's monthly procurement cycle. Also, according to KCCO officials, techniques such as diversions at sea and swapping and pre-positioning of commodities can be used to fill one-time deliveries that are needed in less time than 90 days.

Although an average time of 89 days was required to procure and ship emergency orders during the first 7 months of fiscal year 1985 to the 5 African countries, we did not note an instance where swapping or diversion at sea was used to shorten the delivery time. We saw no instances where this was done except for Ethiopia.

Bulk Commodities Can Be Moved Faster Than Processed Commodities

Bulk commodities can be moved to a U.S. port faster than processed commodities because they are obtained directly from Agriculture surpluses. However, according to KCCO officials, delays are experienced in moving these commodities to U.S. ports because the grain is stored in

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small elevators at various locations and must be moved by train to an intermediate point for consolidation into the requested amount before it can be transported to a U.S. port for shipment.

The movement of bulk grain from storage elevators to a U.S. port usually takes about 30 days if bagging is not involved. It is difficult to speed up this process because transport from the elevators is limited by the number of railroad cars that can be loaded in a day at the sites. If bagging of bulk commodities is requested, another 15 to 30 days would be required to have the commodities ready for shipment, depending on whether the bagging is done at the U.S. port or the recipient port. KCCO officials estimate that it takes about 2 weeks to award a contract to procure bags marked with the identification of the donor and 20 days for the manufacturer to produce these bags.

It takes longer to acquire and ship processed commodities because they must be procured through the competitive bidding process and processed by the vendor. It takes about 75 days from the time KCCO issues an invitation for bid to the time the commodities are delivered to a U.S. port. Invitations for bid are issued to suppliers on a monthly basis. According to KCCO officials, it takes about 15 days from the issue of an invitation for bid to contract award, about 30 days for the supplier to produce the commodities, and 30 days to deliver them to a U.S. port. Table I.1 shows that the average procurement time for the orders we examined was 69 days, somewhat less than the KCCO estimate.

According to KCCO officials, it would be difficult for suppliers to speed up the production and shipment of emergency commodities. They must have time to obtain the raw materials and to process and package the commodities before shipping them to port. They also require time to gear up production capacity to handle large volumes of processed commodities called for in the contracts, which are usually above normal production levels.

The limit on the number of suppliers of processed commodities and their production capacity can also affect KCCO's ability to fill orders, especially during peak ordering periods. KCCO officials said that there are only five suppliers of bulgur wheat, two suppliers of corn soya milk, and six suppliers of corn meal. The total production capacity of these suppliers for the three commodities is about 92,000 metric tons a month. We noted that for 10 of the 18 months between December 1983 and June 1985, KCCO was not able to fill AID Public Law 480 orders (emergency and nonemergency) for these commodities (especially bulgur and corn

meal), because suppliers did not submit bids to cover the total quantities requested in the invitation for bid or the prices offered were unacceptable. For 7 of the 18 months, the shortages were in excess of 1,400 metric tons. KCCO could not procure 17,693 metric tons of bulgur in January 1985 and 16,105 metric tons in March 1985 because of the lack of bids for sufficient quantities.

Actions to Expedite Procurement and Shipment

AID's Office of Food for Peace is giving high priority to speeding up procurement and shipment and has been working with Agriculture and KCCO to accomplish this goal. As a result, KCCO has (1) pre-positioned bulk grain and bags at various locations for rapid movement to U.S. ports when emergency food orders are received and (2) procured processed commodities in advance of anticipated emergency orders on a test basis.

KCCO officials support the pre-positioning of bulk grain and bags to reduce the acquisition time for these items but not of processed commodities because they are too perishable and costly to store. They stated that although pre-positioning can save 30 days for bulk commodities to 45 days for processed commodities in the acquisition and shipping process, the following problems arise.

- Where to store the commodities, since the U.S. port from which they will be shipped is unknown. A central location to all ports or several locations near all ports (the Gulf, Great Lakes, East or West coasts) must be used.
- Whether a ship will be available to move the pre-positioned goods when they are requested; it normally takes about 30 days to acquire a ship.
- What identification markings to use on pre-positioned bags. Although AID and the various private voluntary organizations will accept unmarked bags, they want their own special markings on the bags that they distribute in-country.
- Predicting the type of commodities to pre-position that will be needed in the future in order to avoid useless storage; this will require KCCO to coordinate closely with AID on which commodity items to store.

As of June 1985, KCCO had purchased and pre-positioned a million bags to accompany bulk shipments of grain to be shipped during the African emergency. Also, KCCO pre-positioned about 420,000 metric tons of grain at various locations under a contract to provide for the pre-positioning and rapid movement of grain to U.S. ports during emergencies.

During July and August 1985, Agriculture purchased on AID's behalf 10,000 metric tons of sorghum grits and 3,765 tons of bulgur for use in Ethiopia in advance of an anticipated request from the private voluntary organizations operating in that country. AID estimated that these advance purchases would allow delivery of the food 2 to 3 months quicker than otherwise possible. AID and Agriculture plan to continue to use this process when they see emergencies developing in order to stay ahead of the "emergency curve".

In June 1985, AID sponsored a meeting in Minneapolis among representatives of government, industry, and private voluntary organizations involved in procurement to seek ways to expedite provision of food on an emergency basis. A representative from the shipping industry, however, was not present at the meeting and no followup meetings were planned. Ten proposals and suggestions presented at this meeting were being considered by AID for testing and implementation, including:

- Processing, transporting, loading, and shipping of large orders of food aid to be centralized and coordinated by one entity or organization contracted by the U.S. government.
- Using telex instead of the postal system to invite and transmit bids.
- Using packaging and bags without donor names or identification markings to reduce the time used to manufacture packaging for emergency commodities.

Representatives of private voluntary organizations said they had no objections to not having their organizations' names on bags if the bags have some identification numbers to meet auditing requirements. AID is reconsidering the markings to be used on Food for Peace bags.

The use of telex instead of the postal service for bid invitation and clarification is also being used on an ad hoc basis when deemed necessary for emergency orders. However, Agriculture officials said they do not believe the time necessary for commodity purchases would be significantly reduced by the use of the telex to invite and transmit bids for all emergency procurements.

AID and Agriculture discussed the possibility of testing a competitive vendor to move an order of grain in a continuous operation to a private voluntary organization in a designated country. This testing had been delayed because emergency food requests from the missions had slowed, but AID was planning to try the concept when feasible.

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